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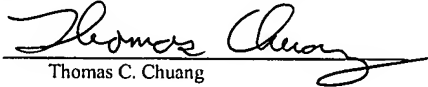


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Thomas C. Chuang

Application Number : 10/691,286
Title : SYSTEM AND METHOD FOR RENTING OR
PURCHASING GOODS VIA A COMMUNICATIONS
NETWORK
Applicant : Thomas C. Chuang
Filed : October 22, 2003
TC/A.U. : 3629
Examiner : Dennis William Ruhl

Docket Number : 0031000

Commissioner for Patents
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REPLY BRIEF
IN SUPPORT OF APPELLANTS' APPEAL
TO THE BOARD OF PATENT APPEALS AND INTERFERENCES

Sir:

This Reply Brief is submitted in support of this Appeal in response to Examiner's Answer mailed June 22, 2007. Applicant's Response to Examiner's Answer is located at Section IX of this Reply Brief. Sections I-VIII correspond to Sections I-VIII of Appellant's Appeal Brief, with minor corrections. In Section I, Applicant's residence has been updated, Section IV has been amended to clarify

the status of amendments filed after final rejection, and the Section V and VI headings have been changed to the current correct headings.

Appellant (hereinafter also referred to as “Applicant”) respectfully requests consideration of this Appeal by the Board of Patent Appeals and Interferences for allowance of the above-captioned patent application.

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I. REAL PARTY IN INTEREST

The real party in interest is Thomas C. Chuang, a person residing at 255 Berry St., #611, San Francisco, California 94158.

II. RELATED APPEALS AND INTERFERENCES

Appellant is not aware of any related appeals or interferences.

III. STATUS OF CLAIMS

Claims 23, 24, 28, and 29 are currently pending. Claims 23, 24, 28, and 29 have been finally rejected.

IV. STATUS OF AMENDMENTS

There are no currently pending amendments. The amendment after final rejection filed on 9/15/05 has been entered.

V. SUMMARY OF CLAIMED SUBJECT MATTER

A. Summary of Invention

The present invention relates to a computer implemented method and apparatus for managing inventory of a disk rental system.

The present invention includes functionality for allowing users to search, browse, rent, and purchase from an online catalog of DVDs. Using a rental queue feature of the site, users can add and remove DVDs from a rental queue which is

maintained over multiple sessions. Selected DVD titles are shipped to the user by the web site (physical actions are performed by a person associated with the web site). The user returns the DVD title after viewing by shipping it back to the website for check in. Specification Paragraph 26, lines 1-7.

The present invention allows system owners to leverage off of existing rental or sales to generate additional revenues and increase user satisfaction. In an embodiment where a system owner typically rents items, the present invention provides for increased revenues through the sale of items. Specification Paragraph 23, lines 1-4.

In one example, the present invention addresses typical problems a web site renting goods encounters where it either does not acquire enough rental copies to meet initial demand resulting in long customer waits or it acquires too many copies to meet initial demand and is left with extra copies after demand falls. See Specification Paragraph 63, lines 1-4. In other words, the present invention addresses acquiring sufficient inventory and eliminating excess inventory. See Specification Paragraph 21, lines 4-5. In particular, for items with a high initial rental demand the present invention provides an efficient mechanism by which used items are sold when rental demand decreases. Specification Paragraph 23, lines 4-6.

The present invention offers users a convenient mechanism by which to purchase items rented by the user and already in the user's possession. The web site advantageously promotes the sale of used rental copies by offering additional

purchase price discounts when there is an excess capacity of inventory. The web site thereby generates additional revenue by promoting the sale of used DVD titles, with promotion increasing when rental demand is decreased. See Specification Paragraph 63, lines 4-10. The present invention allows system owners to improve their rental service by purchasing more items to meet initial demand while still avoiding the problem of excess inventory. Specification Paragraph 23, lines 12-14.

More specifically, the present invention relates to generating a user queue data structure containing a list of disk identifiers. Each disk identifier includes a status identifier. The status identifier indicates one of three statuses: a “checked out” status, “available” status, and “unavailable” status. Specification, Figures 3A and 3B, and Paragraph 70. A database of user queue data structures corresponding to a plurality of users is maintained. Specification Paragraph 37. An optimized purchase price for a disk identifier is generated for disk identifiers with a checked out status. One part of generating the optimized purchase price involves searching the database of user queue data structures to identify the frequency of appearance of the disk identifier in all user queue data structures. Specification Paragraphs 34, 44, 50-54. Description of the claimed invention in the Specification is described in detail below in response to the Examiner Rejections.

B. Summary of Rejections

Claims 23, 24, 28, and 29 stand rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. (Final Office Action mailed 13 July 2005). In particular:

For claim 23 and claim 29, the Examiner alleges that the specification does not disclose the claimed limitations of status identifiers of “available” and “unavailable”.

For claim 23 and claim 29, the Examiner alleges that the specification does not disclose the claimed limitation of “searching all of the user’s data queue structures to identify the frequency of appearance of the disk identifier.

For claim 24, the Examiner alleges that the specification does not disclose that additional packaging is provided to the purchaser.

Claims 23, 24, 28, and 29 stand rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. (Final Office Action mailed 13 July 2005). In particular:

For claim 23, the Examiner alleges that it is not clear how the optimized purchase price is being generated and concludes undue experimentation would be involved to figure out how practice the claimed invention.

Claim 23, 24, 28, and 29 stand rejected 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the

subject matter which applicant regards as the invention. (Final Office Action mailed 13 July 2005). In particular:

For claims 23 and 29, the Examiner alleges that the specification makes no mention at all of the status of “available” and “unavailable”.

VI. GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL

Whether claims 23, 24, 28, and 29 comply with 35 U.S.C. 112, first paragraph, and 35 U.S.C. 112, second paragraph.

VII. GROUPING OF CLAIMS

For the purposes of this appeal, claims 23, 24, 28, and 29 stand or fall together.

VIII. ARGUMENT

REJECTIONS UNDER 35 U.S.C. 112, FIRST PARAGRAPH, AS FAILING TO COMPLY WITH THE WRITTEN DESCRIPTION REQUIREMENT

The specification discloses the claimed limitations of status identifiers of “available” and “unavailable”

Applicant respectfully points out that the specification describes and illustrates the claimed limitations of “available” and “unavailable”.

The terms “availability” and “unavailability” refer to whether a particular disk title selected by the user has been released yet by the movie studios for

viewing on DVD. If a disk selected by a user to rent or purchase has not been released by the movie studios, then it is designated as unavailable and is placed in the “awaiting release” list as illustrated in FIG. 3B. Once a movie studio releases a disk for viewing on DVD, it becomes available and is designated as “available” and is placed in the “DVDs in Your Queue” list illustrated in FIG. 3A.

Unavailability status is discussed in the specification, for example, in paragraph 70. In paragraph 70, the specification discloses that the “DVDs awaiting release list 306 contains an ordered list of DVD titles that a user has selected to place on the rental queue that are *not yet available* and are awaiting release”. Specification Paragraph 70, lines 1-3 (emphasis added). Applicant respectfully asserts that the specification language “not yet available” supports the claim limitation “unavailable” since the two are equivalent in standard English.

Support for the term “available” is found in paragraph 70, which states that “DVD titles are placed at the bottom of the Queue list 304 when they become *available*.” Specification Paragraph 70, lines 4-5 (emphasis added). Support is also found in Paragraph 29, which states that “when a DVD on the upcoming release *becomes available*, it is removed from the upcoming list and placed at the bottom of the rental queue.” Specification Paragraph 29, lines 13-14 (emphasis added).

The specification discloses the claimed limitation of “searching all of the user data queue structures to identify the frequency of appearance of the disk identifier

Specification Paragraph 51 recites that “At step 510, the web site evaluates the inventory resources. For the DVD title at issue, the web site determines the number of copies owned by the web site. At step 512, the web site evaluates the inventory use. The rental pattern, both historical and current, of the DVD title *across all users* is evaluated. One output of step 512 is the peak number of copies of the DVD title *checked out* and required to be shipped *from user queues* at a given time.” Specification Paragraph 51 (emphasis added).

The last sentence of Paragraph 51 gives a clear example of how the rental pattern of the DVD title across all users is evaluated. The last two sentences of Paragraph 51 taken together state that one of the outputs of evaluating the rental pattern of a given DVD title across all users is the identifying number of copies of the DVD title (1) checked out and (2) required to be shipped from user queues.

The rental queue is a data structure and associated code which keeps track of items that have been selected by a user for rental. The rental queue is divided into three separate lists based on the status of the DVD selected for rent. A “Checked Out” list keeps track of DVDs in possession of a web site user or in transit between the user and website. A “DVDs in Queue” ordered list keeps track of DVDs to be shipped to the user when a DVD on the “checked out” list is returned to the web site. Specification Paragraph 27. Thus, Specification

Paragraph 51 describes searching user data queues to identify the frequency of appearance of a disk identifier (the number of copies of the DVD title checked out and required to be shipped from user queues).

Thus, Applicant respectfully asserts that the language in paragraph 51 describes “searching all of the user data queue structures to identify the frequency of appearance of the disk identifier”.

CLAIM 24

The specification discloses that the user is queried whether the user wishes to receive additional packaging

The Examiner states in the final office action mailed 7/13/05 that only additional disks are being offered to the user, but not packaging. Examiner states that a product like a disk and packaging that is used to package an article are two entirely different things.

Applicant respectfully submits that the specification describes that additional packaging is offered to the user that is different from a disk. If the user selects to purchase a used copy of a DVD that the user currently has in his/her possession, the user is given the option of receiving additional packaging associated with the disk. The specification describes an example of additional packaging – the DVD case.

Specification Paragraph 67 states that “If a user selects Purchase Used check box 312, the web site sends web page 400 to the user.” Specification

Paragraph 67, line 10. Figure 4 illustrates a web page through which “a user may select not to receive the *DVD title jewel case*”. Specification Paragraph 68, lines 1-2 (emphasis added). Web page 400 displays a discounted purchase price 402 “if the user selects a ‘Do Not Send *Case*’ check box 404”. Specification paragraph 68, line 3 (emphasis added).

REJECTIONS UNDER 35 U.S.C. 112, FIRST PARAGRAPH, AS FAILING TO COMPLY WITH THE ENABLEMENT REQUIREMENT

The specification describe how the optimized purchase price is being generated and undue experimentation is not involved to figure out how practice the claimed invention

The Examiner states in the Final Office Action that it is unclear how the optimized price is determined after the frequency of occurrence has been determined. Applicant respectfully points out that the specification extensively describes and illustrates the claimed limitation of “generating an optimized purchase price for a disk identifier with a checked out status”.

As pointed out above, one feature of the present invention is to promote the sale of Disk inventory in certain situations. For example, where it is determined that there is an excess capacity of inventory for a particular DVD title, the purchase price of that title is lowered to encourage reduction in inventory. Thus, users with such a title in their possession are encouraged to purchase the title and retain possession.

In accordance with an aspect of the invention, the used purchase price of DVDs in the user's queue are determined by identifying a baseline purchase price and applying weighted price modification factors to calculate a display offer. For example, in one embodiment described below, the sales service determines whether there is currently an excess capacity of stocked DVDs relative to user rental patterns. Specification Paragraph 34.

For each DVD item on the queue list, the web site calculates a used DVD purchase price to display to the user when the user is viewing the queue list. Specification Paragraph 44.

Figure 5B illustrates the price generation process for when a user selects to purchase a used DVD title that is in the user's checked out list or rental queue. The web site begins with a baseline used price for the DVD title that has been previously set. In an embodiment of the invention, the baseline used price for a DVD title is the wholesale price paid by the web site plus the desired profit. In another embodiment of the invention, the baseline used price may be determined in part by current market rates for the used DVD title. One of ordinary skill in the art will recognize that numerous methods may be used to set the baseline used price. Specification Paragraph 50.

At step 510, the web site evaluates the inventory resources. For the DVD title at issue, the web site determines the number of copies owned by the web site. At step 512, the web site evaluates the inventory use. The rental pattern, both historical and current, of the DVD title across all users is evaluated. One output

of step 512 is the peak number of copies of the DVD title checked out and required to be shipped from user queues at a give time. Specification Paragraph 51.

At step 514, the web site determines whether an excess capacity threshold has been met. The excess capacity threshold is a previously calculated variable that the web site utilizes to determine whether an excess capacity condition exists.

In an embodiment of the invention, an excess capacity condition for a DVD title exists when the total number of copies of the DVD contained in the inventory resources exceeds inventory use. Various formulations can be used to determine whether an excess capacity exists. For example, the web site may set an excess capacity threshold that tolerates a predetermined number of short wait or long wait situations while still returning an excess capacity determination.

Specification Paragraph 52.

If yes at step 514, at step 516, an excess capacity discount price modification factor is calculated and applied to the baseline used price. In an embodiment of the invention, the modification factor reduces the baseline used price by 10 to 30 percent. In an embodiment of the invention, the reduction is proportional to the extent of excess capacity. Specification Paragraph 53.

The Examiner states in the Final Office Action mailed 13 July 2005 that it is not described how the optimized price is determined after the frequency of occurrence has been determined. The Examiner gives the example that if it is determined that the frequency for a given disk is 150 times as opposed to another

disk that is 50 times, it is unclear how this is used to generate the optimized purchase prices from this information. Final Office Action, page 6. However, as the Applicant has explained, it is not important the frequency of appearance of a given disk with respect to the frequency of another disk. Rather, it is the frequency number of the disk across user queues (inventory use) relative to the total number of copies of that disk in the web site inventory (inventory resources), which is used to determine whether an excess capacity threshold has been met and calculate the purchase price.

REJECTIONS UNDER 35 U.S.C. 112, SECOND PARAGRAPH

Claim 23 and 29 particularly point out and distinctly claim the subject matter which applicant regards as the invention

Examiner alleges that with respect to claims 23 and 29 the specification makes no mention at all of the status of “available” and “unavailable” and therefore fails to particularly point out and distinctly claim the subject matter which applicant regards as the invention. For the reasons described above, Applicant respectfully submits that the specification describes the meaning of the terms “available” and “unavailable”.

IX. RESPONSE TO EXAMINER ANSWER

A. Summary of Claimed Subject Matter (Response to Examiner Answer Heading 5)

Examiner alleges that Applicant's Summary of Claimed Subject Matter is inaccurate because some of the comments Applicant has made about the invention do not have proper support in the specification as originally filed.

Applicant disagrees. Throughout Applicant's Summary of Claimed Subject Matter, Applicant cites the location within the specification supporting Applicant's comments. Applicant cites support in the specification at least 10 times. Examiner does not state which of Applicant's comments he believes is inaccurate. Examiner does not provide any support for his allegations that the Summary is inaccurate, and does not refute that any of Applicant's citations support Applicants comments. Applicant therefore respectfully submits that Applicant's Summary of Claimed Subject Matter is accurate.

B. Grounds of Rejection to be Reviewed upon Appeal (Response to Examiner Answer Heading 6)

Examiner notes that the amendment filed 4/25/05 is objected to under 35 U.S.C. 132(a) because it introduces new matter into the disclosure. Examiner's

objection is taken literally from MPEP form paragraph 7.28, “Objection to New Matter Added to Specification”.

Applicant respectfully submits that this objection is improper. In Applicant’s amendment filed 4/25/05, Applicant added new claims, but did not amend the written description. As a result, use of MPEP form paragraph 7.28 is improper. Examiner note 3 to MPEP 706.03(o) states that “if new matter is added only to a claim, an objection using this paragraph (Paragraph 7.28) should not be made, but the claim should be rejected using form paragraph 7.31.01”. Form paragraph 7.31.01 recites a Section 112 rejection. Thus, the Section 112 rejections are the only grounds of rejection to be reviewed upon Appeal.

C. Response to Argument (Examiner Answer Heading 9)

REJECTIONS UNDER 35 U.S.C. 112, FIRST PARAGRAPH, AS FAILING TO COMPLY WITH THE WRITTEN DESCRIPTION REQUIREMENT

CLAIMS 23 AND 29:

The specification discloses the claimed limitations of status identifiers of “available” and “unavailable”

1. Examiner Statement 1: “If the one status identifier of “DVD’s checked out” is located above the box that lists the movies that have that respective status, why is it incorrect to conclude that the other status

identifiers are also located above the boxes that list the movies that have that respective status, just like the “DVD’s checked out” status identifier”? Examiner Answer, page 9.

2. Applicant Response 1: It is incorrect to make such a conclusion because the specification says otherwise. Applicant respectfully submits that FIG. 3A and FIG 3B must be interpreted in view of their description in the specification. Examiner appears to be suggesting what the terms “available” and “unavailable” should mean based on his own viewing of FIG. 3A and FIG. 3B independent of the written description as opposed to what applicant has actually described in the written description.
3. Examiner Statement 2: “The argument by applicant that the terms “available” and “unavailable” refer to whether or not a particular movie has been released by the movies studios has no support in the specification. Where is this stated in the specification as originally filed?” Examiner Answer, page 10.
4. Applicant Response 2: In Applicant’s Appeal Brief, Applicant pointed out exactly where support for the terms “available” and “unavailable” is found. To repeat, such support is found in paragraph 70 and paragraph 29 as stated in Applicant’s Appeal Brief:

Unavailability status is discussed in the specification, for example, in paragraph 70. In paragraph

70, the specification discloses that the “DVDs awaiting release list 306 contains an ordered list of DVD titles that a user has selected to place on the rental queue that are *not yet available* and are awaiting release”. Specification Paragraph 70, lines 1-3 (emphasis added). Applicant respectfully asserts that the specification language “not yet available” supports the claim limitation “unavailable” since the two are equivalent in standard English. Applicant’s Appeal Brief, Section VIII.

Support for the term “available” is found in paragraph 70, which states that “DVD titles are placed at the bottom of the Queue list 304 when they become *available*.” Specification Paragraph 70, lines 4-5 (emphasis added). Support is also found in Paragraph 29, which states that “when a DVD on the upcoming release *becomes available*, it is removed from the upcoming list and placed at the bottom of the rental queue.” Specification Paragraph 29, lines 13-14 (emphasis added). Applicant’s Appeal Brief, Section VIII.

Examiner has not addressed or refuted Applicant’s citations of support in the specification. Although, the specification does not use the term “unavailable”, the equivalent term “not yet available” is used. Anyone of ordinary knowledge of the English language can recognize the equivalence of these terms and that Applicant has possession of the invention. Examiner seems to suggest that it is problematic that Applicant has not used exactly the same term in the claims as in the written description in certain instances. However, it is well settled law that in order to comply with the written description requirement, the specification need not describe the claimed subject matter in exactly

the same terms as used in the claims. *Eiselstein v. Frank*, 52 F.3d 1035, 1038 (Fed. Cir. 1995)(citing *Vas-Cath*, 935 F.2d at 1562, 19 USPQ2d at 1115, and *In re Wertheim*, 541 F.2d 257, 265, 191 U.S.P.Q. 90, 98 (CCPA 1976)). Furthermore, the meaning of the term “unavailable” can also be ascertained by the use of the opposite term “available” in Specification paragraph 70 and 29 as cited in Appellant’s Appeal Brief. Prior to becoming “available”, DVDs are on the DVDs awaiting Release list 306. Once again, using standard English, before something “becomes available”, it is unavailable.

5. Examiner Statement 3: “The Examiner takes the position that the fact that a movie is “unavailable” may also mean that the movie is currently rented out (it has been released) and is not available to you as a user of the movie service. A movie that is unavailable may also mean that you are currently renting the maximum number of movies that the service allows to be rented out at one time, meaning that the movie is not available yet, unless you return another movie so that you can get a new one sent out. The argument that the term “unavailable” is for movies that are not yet released has no support in the specification” Examiner Answer, page 10.
6. Applicant Response 3: Applicant has indicated in the originally filed Appeal Brief where support for the term “unavailable” is for movies

that are not yet released, which Examiner has not addressed.

Examiner is reciting his own unfounded opinion in saying what he believes the term “unavailable” *should* mean if this were his invention, rather than focusing on what the Applicant has *stated* in the specification. Where is Examiner’s support for his opinion?

The specification discloses the claimed limitations of status identifiers of “searching the database of user queue data structures to identify the frequency of appearance of the disk identifier”

Examiner Statement: “The claim recites (searching) ‘all of the user’s queue data structures’, which includes all 3, namely, “DVD’s in your queue”, “DVD’s checked out”, and “DVD’s awaiting release”” Examiner Answer, page 11.

Applicant’s Response: Examiner has misread the claim language, and is thus looking for support in the specification that is not required. Examiner has incorrectly added an apostrophe “s” to the term “user”, changing the meaning of the claim. Claim 23 and 29 recite the limitation “generating an optimized purchase price for a disk identifier with a checked out status comprising *searching the database of user queue data structures to identify the frequency of appearance of the disk identifier in all user queue data structures.*” (emphasis

added). As stated in Section VIII of Appellant's Appeal Brief, this language is supported in paragraph 51. "[A]ll user queue data structures" means that the queue structures for all of the users (across all users) is searched. One output of such a search is the number of copies of the DVD title checked out and required to be shipped from all the user queues at a given time.

Claim 23 and claim 29 do not recite the phrase "all of the *user's* queue data structures" (emphasis added), which has a different meaning since Examiner has added an incorrect possessive apostrophe "s". Examiner is incorrectly looking for explicit support that a user's "DVD's in your queue", "DVD's checked out", and "DVD's awaiting release" are *all* searched, and in particular, Examiner argues that the specification does not explicitly teach searching the "DVD's awaiting release". Although the specification may support such language, Applicant need not address whether the misread language is supported in the specification at this time since this issue is not relevant.

For at least these reasons and the reasons set forth in Appellant's Appeal Brief, Applicant respectfully submits that claims 23 and 29 comply with the written description requirement under 35 U.S.C. 112, first paragraph.

CLAIM 24

The specification discloses that the user is queried whether the user wishes to receive additional packaging

Examiner Statement: “the term packaging has a much more broad definition than a case for a DVD, so even if applicant has disclosed a DVD case, this does not provide support for the broad term of ‘packaging’. Packaging can be anything from wrapping paper for birthday presents to cardboard boxes used in shipping.” Examiner Answer, page 11.

Applicant’s Response: Applicant is not required to describe all types of packaging in order to satisfy the written description requirement for the term “packaging”. A claim may be broader than the specific embodiment disclosed in the specification. *Ralston Purina Co. v. Far-Mar-Co., Inc.*, 772 F.2d 1570, 1575, 227 USPQ 177, 179 (Fed. Cir. 1985). A specification may, within the meaning of 35 U.S.C. Sec. 112, first paragraph, contain a written description of a broadly claimed invention without describing all species that claim encompasses. *Utter v. Hiraga*, 845 F.2d 993, 998, 6 USPQ2d 1709, 1714 (Fed. Cir. 1988).

Claim terms are given their ordinary and accustomed meaning absent an express intent to impart a novel meaning. *Tate Access Floors, Inc. v. Maxcess Technologies, Inc.*, 222 F.3d 958, 965 (Fed. Cir. 2000). “Packaging” is defined in the Cambridge Online Dictionary as “the materials in which objects are wrapped before being sold”. “Package” (of which “packaging” is the inflected form) is

defined in Merriam-Webster's Online Dictionary as "a covering wrapper or container". One of ordinary skill in the art of DVD rentals and sales, or even any ordinary consumer, would know that a DVD jewel case is a wrapper or container for a DVD disc. Since Applicant has described a specific embodiment of packaging, a DVD jewel case, the written description requirement is satisfied. The *scope* of the claim term "packaging", whether it encompasses other types of packaging besides a DVD jewel case, is a different question and not at issue, and therefore need not be addressed here.

For at least these reasons and the reasons set forth in Appellant's Appeal Brief, Applicant respectfully submits that claim 24 complies with the written description requirement under 35 U.S.C. 112, first paragraph.

CLAIM 28

Examiner has not set forth any reasons why claim 28 does not comply with the written description requirement under 35 U.S.C. 112, first paragraph. Support for claim 28 can be found, for example, at paragraphs 41-45. For at least these reasons, Applicant respectfully submits that claim 28 complies with the written description requirement under 35 U.S.C. 112, first paragraph. Since claim 28 is dependent on claim 23, it is submitted that claim 28 is patentable at least for the reasons stated above with respect to the patentability of claim 23.

**REJECTIONS UNDER 35 U.S.C. 112, FIRST PARAGRAPH, AS FAILING
TO COMPLY WITH THE ENABLEMENT REQUIREMENT**

CLAIMS 23 and 29

The specification describes how the optimized purchase price is being generated and undue experimentation is not involved to figure out how practice the claimed invention

Examiner Statement: “With respect to the 112, 1st enablement rejection, as the claims are written, how is one going to determine the optimized price by determining the frequency of occurrence of the disk identifier as claimed? The claim is specifying that the price is determined from just the frequency of occurrence, nothing else, and there is no guidance given on how this is done.”
(original emphasis) Examiner Answer, page 12.

Applicant Response:

Examiner has not addressed the Applicant’s references to the specification written description in Appellant’s Appeal Brief. It appears that Examiner is misreading the enablement requirement under Section 112, first paragraph. Examiner is under the incorrect impression that the *claim language itself* needs to enable what is being claimed, as opposed to looking to the written description. Throughout Examiner’s argument, Examiner argues to look at the claim language

as opposed to looking at the specification written description. For example, Examiner states “The examiner feels that there are *essential steps missing from the claims* that would possibly provide enablement”; “The *claims* make no mention of anything more being done once the frequency of occurrence number is determined”; “the *claim* is specifying that the price is determined from just the frequency of occurrence, nothing else, and there is no guidance given on how this is done” (emphasis added). Examiner Answer, page 12. Thus, Examiner incorrectly believes that the claim itself must set forth exactly how the optimized purchase price is being generated, and the Examiner has not looked to the written description to determine enablement.

Applicant respectfully submits that it is the language in the written description that is used to determine whether a claim is enabled. The enablement requirement found in 35 USC 112, first paragraph states:

The specification shall contain a *written description* of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same, and shall set forth the best mode contemplated by the inventor of carryout out his invention (emphasis added). 35 U.S.C. 112, first paragraph.

Applicant need not include in the specification a specific working example in order to comply with the enablement requirement. E.g. *Lawson v. Bruce*, 222 F.2d 273, 278, 105 USPQ 440 (CCPA 1955). Although an example is not required for enablement, Applicant has provided at least one example which has

been set forth in the written description. In Appellant's Appeal Brief, Applicant respectfully submits that Applicant has indicated in the specification where the claim language at issue is enabled. Examiner has not addressed any of the support provided by Applicant in Appellant's Appeal Brief.

Examiner has also stated that one particular box of the flowchart shown in FIG. 5B has not been enabled. Applicant respectfully submits that the enablement requirement is with respect to the claims, not a particular detail of an example set forth in an extensive flowchart. In any event, with respect to Examiner's statement that it has not been shown how the price at box 530 has been calculated, Appellant respectfully disagrees. Paragraph 55 of the specification recites that "If no at step 524, the baseline used price is displayed at step 530". Thus, the price at box 530 is the baseline used price. Calculation of the baseline used price is described in the specification at paragraph 50, which lists several alternative methods for determining the baseline used price. For example, paragraph 50 states "In an embodiment of the invention, the baseline used price for a DVD title is the wholesale price paid by the web site plus the desired profit".

For at least these reasons and the reasons set forth in Appellant's Appeal Brief, Applicant respectfully submits that claims 23 and 29 comply with the enablement requirement under 35 U.S.C. 112, first paragraph.

CLAIM 24 and 28

Examiner has not set forth any reasons why claims 24 and 28 do not comply with the enablement requirement under 35 U.S.C. 112, first paragraph.

Support for claim 24 can be found, for example, at Specification paragraphs 67 and 68. One of ordinary skill in the art can implement receiving and sending communications from and to a user over a communications network. Web sites which implement receiving purchase requests and sending communications to the user over the Internet are well known in the art as evidenced by a multitude of e-commerce websites that perform such functions. For at least these reasons, Applicant respectfully submits that claim 24 complies with the enablement requirement under 35 U.S.C. 112, first paragraph.

Support for claim 28 can be found, for example, at specification paragraphs 41-45. One of ordinary skill in the art can implement sending email to a customer containing information. Web sites which send email to users over the Internet are well known in the art as evidenced by a multitude of e-commerce websites that perform such functions. For at least these reasons and the reasons set forth in Appellant's Appeal Brief, Applicant respectfully submits that claim 28 complies with the enablement requirement under 35 U.S.C. 112, first paragraph.

REJECTIONS UNDER 35 U.S.C. 112, SECOND PARAGRAPH, AS BEING INDEFINITE FOR FAILING TO PARTICULARLY POINT OUT AND DISTINCTLY CLAIM THE SUBJECT MATTER WHICH APPLICANT REGARDS AS THE INVENTION

CLAIMS 23 and 29

Examiner alleges that the specification makes no mention at all of the status of “available” and “unavailable” as the basis for rejecting claims 23 and 29 under 35 U.S.C. 112, second paragraph. For at least the reasons set forth above in response to the rejections under 35 U.S.C. 112, first paragraph, describing specification support for the claimed limitations of “available” and “unavailable”, Applicant respectfully submits that claims 23 and 29 comply with 35 U.S.C. 112, second paragraph.

CLAIMS 24 and 28

Examiner has not set forth any reasons why claims 24 and 28 do not comply with 35 U.S.C. 112, second paragraph. For at least the reasons set forth above in response to the rejections under 35 U.S.C. 112, first paragraph, Applicant respectfully submits that claims 24 and 28 comply with 35 U.S.C. 112, second paragraph.

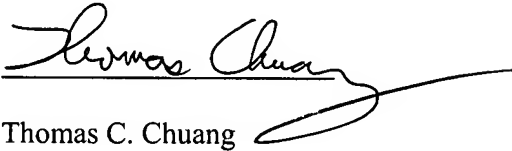
Claims 24 and 28 point out and distinctly claim the subject matter which Applicant regards as his invention. 35 U.S.C. 112, second paragraph merely requires that the claims set forth and circumscribe a particular area with a reasonable degree of precision and particularity. The definiteness of the claim language employed must not be analyzed in a vacuum, but always in light of the teachings of the prior art and of the particular application disclosure as it would be interpreted by one having ordinary skill in the pertinent art. In re Moore, 58

CCPA 1042, 439 F.2d 1232, 169 USPQ 236 (1971). Claims 24 and 28 do not contain vague or indefinite terms and do not have antecedent basis problems. The metes and bounds of claims 24 and 28 can readily be determined by one of ordinary skill in the art. Applicant respectfully submits that claims 24 and 28 comply with 35 U.S.C. 112, second paragraph.

X. CONCLUSION

For the foregoing reasons, Appellants respectfully request reversal of the Examiner's objections and rejections as set forth in the Final Office Action and subsequent Advisory Action and request that the Board direct allowance of all pending claims of the application.

Respectfully submitted,

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XI. CLAIM APPENDIX

Pending Claims 23, 24, 28, 29

23. A computer implemented method for managing inventory of a disk rental system comprising:

generating a user queue data structure comprising:

a list of ordered disk identifiers associated with user selected disks;

a status identifier for each disk identifier, the status identifiers

including a checked out status, available status, and unavailable status;

maintaining a database of user queue data structures corresponding to a plurality of users;

generating an optimized purchase price for a disk identifier with a checked out status comprising searching the database of user queue data structures to identify the frequency of appearance of the disk identifier in all user queue data structures; and

storing the optimized purchase price in the user queue data structure and displaying the optimized purchase price to the user.

24. The method of claim 23, further comprising:

receiving a user request to purchase a disk identifier with a checked out status; and

sending a query to the user determining whether the user wishes to receive additional packaging associated with the disk identifier.

28. The method of claim 23, further comprising generating and sending an email notification to a user containing an optimized purchase price for a disk with a checked out status identifier.

29. A computer readable storage medium storing instructions that when executed by a computer cause the computer to perform a method for managing inventory of a web-based disk rental system comprising, comprising:

generating a user queue data structure comprising:

a list of ordered disk identifiers associated with user selected disks;

and

a status identifier for each disk identifier, the status identifiers

including a checked out status, available status, and unavailable status;

maintaining a database of user queue data structures corresponding to a plurality of users;

generating an optimized purchase price for a disk identifier with a checked out status comprising searching the database of user queue data structures to identify the frequency of appearance of the disk identifier in all user queue data structures; and

storing the optimized purchase price in the user queue data structure and displaying the optimized purchase price to the user.

XII. EVIDENCE APPENDIX

None.

XIII. RELATED PROCEEDINGS APPENDIX

None.